

HOUSE BILL No. 1819

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1.

Synopsis: Sales disclosure forms for real property transfers. Provides that the county assessor in a county that does not contain a consolidated city must verify the accuracy and completeness of a sales disclosure form for the transfer of a real property interest before the form is filed with the county auditor. Provides that the county auditor may not accept a conveyance document if the sales disclosure form is not verified.

Effective: July 1, 2007.

Klinker, Buell, Thompson

January 26, 2007, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1819

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-5.5-3, AS AMENDED BY P.L.228-2005,
2 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2007]: Sec. 3. (a) For purposes of this section, "party"
4 includes:

5 (1) a seller of property that is exempt under the seller's ownership;
6 or

7 (2) a purchaser of property that is exempt under the purchaser's
8 ownership;

9 from property taxes under IC 6-1.1-10.

10 (b) Before filing a conveyance document with the county auditor
11 under IC 6-1.1-5-4, all the parties to the conveyance must complete and
12 sign a sales disclosure form as prescribed by the department of local
13 government finance under section 5 of this chapter. All the parties may
14 sign one (1) form, or if all the parties do not agree on the information
15 to be included on the completed form, each party may sign and file a
16 separate form. **Subject to subsection (c), the form must be filed with**
17 **the county auditor along with the conveyance document.**

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(c) Before a completed and signed sales disclosure form is filed with the county auditor under subsection (b) in a county other than a county containing a consolidated city, the form must be reviewed and accepted by the county assessor for completeness and accuracy of the information described in section 5(a) of this chapter. The county assessor may verify acceptance by a stamp on the form presented to the county auditor. The department of local government finance may prescribe other methods to reflect the county assessor's review and acceptance.

~~(c)~~ (d) Except as provided in subsection ~~(d)~~, (e), the auditor shall forward each sales disclosure form to the county assessor. The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency:

- (1) before January 1, 2005, in an electronic format, if possible; and
- (2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county. The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

~~(d)~~ (e) In a county containing a consolidated city, the auditor shall forward the sales disclosure form to the appropriate township assessor. The township assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency:

- (1) before January 1, 2005, in an electronic format, if possible; and
- (2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

~~(e)~~ (f) If a sales disclosure form includes the telephone number or

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1 Social Security number of a party, the telephone number or Social
2 Security number is confidential.

3 SECTION 2. IC 6-1.1-5.5-6, AS AMENDED BY P.L.154-2006,
4 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2007]: Sec. 6. (a) The county auditor may not accept a
6 conveyance document if:

7 (1) the sales disclosure form signed by all the parties and attested
8 as required under section 9 of this chapter is not included with the
9 document; or

10 (2) **in a county other than a county containing a consolidated**
11 **city**, the sales disclosure form does not contain **verification that**
12 **the county assessor reviewed and accepted the form for**
13 **completeness and accuracy of** the information described in
14 section 5(a) of this chapter.

15 (b) The county recorder shall not record a conveyance document
16 without evidence that the parties have filed a completed sales
17 disclosure form with the county auditor.

18 SECTION 3. IC 6-1.1-21-4, AS AMENDED BY P.L.228-2005,
19 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2007]: Sec. 4. (a) Each year the department shall allocate from
21 the property tax replacement fund an amount equal to the sum of:

22 (1) each county's total eligible property tax replacement amount
23 for that year; plus

24 (2) the total amount of homestead tax credits that are provided
25 under IC 6-1.1-20.9 and allowed by each county for that year;
26 plus

27 (3) an amount for each county that has one (1) or more taxing
28 districts that contain all or part of an economic development
29 district that meets the requirements of section 5.5 of this chapter.
30 This amount is the sum of the amounts determined under the
31 following STEPS for all taxing districts in the county that contain
32 all or part of an economic development district:

33 STEP ONE: Determine that part of the sum of the amounts
34 under section 2(g)(1)(A) and 2(g)(2) of this chapter that is
35 attributable to the taxing district.

36 STEP TWO: Divide:

37 (A) that part of the subdivision (1) amount that is
38 attributable to the taxing district; by

39 (B) the STEP ONE sum.

40 STEP THREE: Multiply:

41 (A) the STEP TWO quotient; times

42 (B) the taxes levied in the taxing district that are allocated to

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a special fund under IC 6-1.1-39-5.

(b) Except as provided in subsection (e), between March 1 and August 31 of each year, the department shall distribute to each county treasurer from the property tax replacement fund one-half (1/2) of the estimated distribution for that year for the county. Between September 1 and December 15 of that year, the department shall distribute to each county treasurer from the property tax replacement fund the remaining one-half (1/2) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be according to a schedule determined by the property tax replacement fund board under section 10 of this chapter. The estimated distribution for each county may be adjusted from time to time by the department to reflect any changes in the total county tax levy upon which the estimated distribution is based.

(c) On or before December 31 of each year or as soon thereafter as possible, the department shall make a final determination of the amount which should be distributed from the property tax replacement fund to each county for that calendar year. This determination shall be known as the final determination of distribution. The department shall distribute to the county treasurer or receive back from the county treasurer any deficit or excess, as the case may be, between the sum of the distributions made for that calendar year based on the estimated distribution and the final determination of distribution. The final determination of distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for postabstract adjustments included in the December settlement sheet for the year, and such additional information as the department may require.

(d) All distributions provided for in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state. If the amounts allocated by the department from the property tax replacement fund exceed in the aggregate the balance of money in the fund, then the amount of the deficiency shall be transferred from the state general fund to the property tax replacement fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the payment of that amount. However, any amount transferred under this section from the general fund to the property tax replacement fund shall, as soon as funds are available in the property tax replacement fund, be retransferred from the property tax replacement fund to the state general fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the replacement of that amount.

(e) Except as provided in subsection (g) and subject to subsection (h), the department shall not distribute under subsection (b) and section

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10 of this chapter a percentage, determined by the department, of the money that would otherwise be distributed to the county under subsection (b) and section 10 of this chapter if:

(1) by the date the distribution is scheduled to be made, the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance;

(2) by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required under that section;

(3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a);

(4) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure forms under ~~IC 6-1.1-5.5-3(b)~~; **IC 6-1.1-5.5-3(d)**;

(5) local assessing officials have not provided information to the department of local government finance in a timely manner under IC 4-10-13-5(b);

(6) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of local government finance in a timely manner;

(7) the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b);

(8) the county has not established a parcel index numbering system under 50 IAC 12-15-1 in a timely manner; or

(9) a township or county official has not provided other information to the department of local government finance in a timely manner as required by the department.

(f) Except as provided in subsection (i), money not distributed for the reasons stated in subsection (e) shall be distributed to the county when the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

has been corrected.

(g) The restrictions on distributions under subsection (e) do not apply if the department of local government finance determines that the

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1 failure to:
2 (1) provide information; or
3 (2) pay a bill for services;
4 in a timely manner is justified by unusual circumstances.
5 (h) The department shall give the county auditor at least thirty (30)
6 days notice in writing before withholding a distribution under
7 subsection (e).
8 (i) Money not distributed for the reason stated in subsection (e)(6)
9 may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money
10 deposited under this subsection is not subject to distribution under
11 subsection (f).

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